



USAID
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CROATIA

ACTIVITY OVERVIEW

New Housing Solutions



Mercy Corps

Family Grcic contributes to the reconstruction of their family home in Kistanje damaged during the war. USAID financed reconstruction costs and provided some of the building material. The Grcic family home was also connected to the USAID-rehabilitated water network system.

Implementer: Mercy Corps
International/The Urban Institute

Partners: Privredna banka Zagreb,
International Catholic Migration
Commission (ICMC), Arbeiter-Samariter-
Bund (ASB)

Project completed May 2004

USAID assisted Croatia in addressing the needs of people whose homes were lost or damaged during the war.

The New Housing Solutions (NHS) program applied market-based approaches to meet the shelter needs of returnees whose homes require repair or reconstruction and refugees from Bosnia and Herzegovina (settlers) who wished to remain in Croatia and required permanent accommodation. USAID and its ECRA partners implemented three pilot activities that helped resolve major housing problems faced by refugees wishing to return to Croatia. These pilot activities gave beneficiary families an active role in resolving their housing needs that made the process of reconstruction and property repossession quicker.

Home Improvement Loans: Families in the Areas of Special State Concern had access to loans from Privredna Banka to repair or improve their homes and other real property on the same plot for residence, business or agricultural purposes. This improved the housing situation and promoted economic development in war-affected areas.

Voucher Program for Reconstruction: 100 refugee families in four USAID partner municipalities (Okucani, Vojnic, Gvozd and Kistanje), were assisted through vouchers to facilitate self-help initiatives to repair and reconstruct the most severely war-damaged houses.

Relocation to Self-Chosen Permanent Accommodation: Through a matching program this activity allowed settler families to freely select government-purchased houses throughout the Areas of Special State Concern for their permanent accommodation thus freeing up homes for returning refugee families. Relocation of these households from homes owned by refugees promoted increased returns and restore private property rights.

Results USAID helped disperse 361 loans by March 15, 2004. This resulted in the improvement of 1,500 houses or family businesses through property improvement loans averaging \$5,974 per loan.

98 houses have been successfully reconstructed and the housing problem for 68 families was resolved (34 returnee families moving back to pre-war homes and 34 settler families will find permanent.